

State of Delaware

Department of Correction

TO: ALL OFFERS

FROM: Paul Giery
Purchasing Services Administrator

SUBJECT: ADDENDUM TO PROFESSIONAL SERVICES REQUEST FOR
PROPOSAL (RFP) - CONTRACT NO. DOC1102_COMMISSARY
COMMISSARY SERVICES

ADDENDUM # 1

QUESTIONS & ANSWERS

MAY 13, 2011

Question#1

Section I, Overview of the RFP states the proposed schedule of events, however does not propose a time for a pre-proposal conference or site visit.

- a. Would the State be open to allowing prospective vendors to conduct a site visit prior to the deadline for proposals?

Answer: Due to time constraints site visits will not be possible.

Question#2

Section II.I.3 states "Pricing of the products agreed to by the DOC shall be in effect for the duration of the contract unless changed by mutual agreement of the Bureau Chief of Prison and Bureau Chief of Management Services and the successful vendor."

- a. Please clarify that the pricing for this procurement is only for the initial term of one year and does not include extensions.

Answer: Pricing shall be firm for the initial period of (1) one year.

Question#3

Section II.I.4 states "Surcharge for all items shall not exceed 20 percent per 11 Del. Cl&6517." This section refers to Title 11 of the Delaware Code and describes the duties and responsibilities of the Commissioner. The Commissioner is authorized by this section to promulgate rules and regulations to carry out the Commissioner's duties and operate the Department of Corrections, but 11 Del.C.Sec.6517 does not set forth those rules, regulations or policies. While some of

those policies are published on the web, we were not able to find any policy dealing with a surcharge on items for sale in a commissary.

- a. Can you please provide us with a copy of the policy of State of Delaware in which the cap on the surcharge is mentioned?

Answer: Commissary Services Policy 3.9 provided as attachment B.

- b. How is "surcharge" defined in the statute?

Answer: The Statute does not define the term "surcharge", but you should give the term its ordinary, plain meaning.

- c. Is "surcharge" applied to an individual item or the entire market basket?

Answer: Surcharge applied to an individual item.

Question#4

Section IV.D.B states "the vendor will be required to enter into a written agreement with the State of Delaware. The State of Delaware reserves the right to incorporate standard State contractual provisions into any contract negotiated as a result of a proposal submitted in response to this RFP."

- a. Would the State please provide a copy of the State's standard contract provisions?

Answer: Standard contract provisions provided as attachment A.

Question#5

Section IV.D. 5.i, second paragraph states "The State of Delaware may require holdback of contract monies until acceptable performance is demonstrated."

- a. Please provide clarification on how this would be implemented with regards to commissary operations.

Answer: Any funds owed to the awarded vendor can be placed on hold until acceptable performance is demonstrated.

Question#6

Section II. E. 3 Page 5 states "Each offender is allowed to place orders as frequently as agreed to in the final contract between the DOC and the awarded vendor."

- a. How often do the offenders currently place orders?

Answer: Once a week.

- b. Is there a cap on the amount the offender can spend on commissary items?

Answer: \$75.00 per week not including major purchases. Future caps will be determined and implemented based on classification levels and housing location and vendor proposal.

- c. Would the State be willing to provide the prospective vendors a list of products currently being sold to the inmates and the buying history of each product for the past twelve months?

Answer: List of products and history not available at this time.

Question#7

Section II. F. 4 Page 5 states "The successful vendor will be expected to have a satellite office/warehouse within close proximity to the DOC facility."

- a. Would the State please clarify "close proximity"?

Answer: Within the tri-state area.

- d. Due to only one facility being serviced during this solicitation, would the State entertain products shipped from surrounding states if the vendor is compliant with meeting the required delivery timeframes?

Answer: yes

Question#8

Section II. F.7 Page 6 states "A credit shall be issued for merchandise that is undeliverable. A credit receipt shall be forwarded to the offender via institutional mail within 48 hours of the issued credit date. In the event the offender is out of the facility merchandise should be secured by the commissary designee until the offender returns."

- a. If the merchandise is to be left with the commissary designee until the offender returns, would the vendor still need to issue a credit?

Answer: No, items would not be deliverable if the offender was no longer housed at the facility. A credit would need to be issued if the offender was still located at the facility.

Question#9

Section II. H.1 Page 7 states "Products must be non-perishable." The RFP also states in Section H. 1 that "all food items shall be wrapped/packaged and dated for individual consumption." We view these two statements are conflicting. According to the specifications, the proposed vendor is to provide food items. However, it also states that all products should be non-perishable.

- a. Will the State please clarify these statements?

Answer: All food items should be either non-perishable or have a consume by date.

- b. Is it permissible to offer perishable items if all other specifications are met?

Answer: Yes as long as it is a food item.

Question#10

Section II. V Page 13 states "The vendor is responsible for comprehensive management of the offender account as related to commissary."

- a. Will the State please clarify if the vendor is responsible for managing the inmate trust fund?

Answer: Vendor not responsible for managing inmate trust fund

Question#11

Section IV. 10 Page 18 states "Proposals must be realistic and must represent the best estimate of time, materials and other costs including the impact of inflation and any economic or other factors that are reasonably predictable." Section I states "The DOC reserves the right to determine the final retail selling prices to the offenders. The percent of commission of both parties will remain the same regardless of the retail selling price set by the DOC." Page 2 of the RFP states in the Scope of Services that the vendor will "maintain a market-price philosophy with regard to retail-selling price of commissary items to the offenders."

- a. Will the State please clarify regarding how it will determine the final price of offender commissary items while allowing the vendor the maintain a market-price philosophy?

Answer: Vendor will have the ability to establish market based pricing. Discrepancies identified will require adjustments negotiated between the warden and vendor.

- b. Is it safe to assume that if a vendor proposes pricing that is reflective of current local convenience store prices, that the DOC will not dictate a lower final price?

Answer: No

Question#12

Section II.M of the RFP defines "major failure" by stating "there is a system failure at any location; any one of the system's major functions ceases to operate; any one of the system's major functions fails to respond to an authorized command."

- a. Would the State consider modifying this language to state that liquidated damages are only implemented when a major component becomes non-functional due to factors that are within the vendor's control and that the functionality limits the use of the system by offenders for an extended period of time or impacts delivery of services?

Answer: Modification will be considered based on exceptions listed in vendor proposal.

Question#13

Section II. N. 3 states that "The DOC will calculate and specify to the contractor the total number of hours beyond the initial four (4) hours that the contractor failed to respond. This amount shall be payable to the DOC as liquidated damages."

- a. Is there an appeal process after liquidated damages have been assessed?

Answer: No.

Question#14

Section II. A.6 states that vendors are to “develop and maintain an interface software capability between DOC’s offender management system (DACS) and the proposed Commissary System to transfer key admission, identification, population movement, housing location, status and release information and a detailed offender purchase history, so that both the systems are always in synchronization.”

- a. What is the current “DACS” system used?

Answer: DACS stands for “Delaware Automated Correction System. It is a proprietary, custom designed web-based offender management system, based on an Oracle database platform.

Is the current system a mainframe?

Answer: No

Question#15

Section II. A.7 requires vendors to “Provide Kiosk options to include financial, sick calls, and commissary, as well as other technological advances should be included as part of the overall proposal.”

- a. How many day room areas exist where a Kiosk could be installed and utilized by the inmate population?

Answer: 20 areas have been identified as suitable for Kiosk locations.

- b. Would the State provide more detail on “other technological advances” as referenced in this section?

Answer: Advances in information technology upgrades.

Question#16

Section II.D states “the proposed Commissary provider must develop an interfacing software capability which electronically checks the balances in the offenders accounts and transfers the key information from the proposed Commissary system to the DOC’s offender management system.”

- a. Is the State looking for an inmate trust fund application that manages the financial transactions of the inmates?

Answer: Currently, Delaware DOC employs multiple mechanisms for tracking inmate financial transactions. Through this RFP, we are looking to identify an automated solution that may be used statewide.

- b. Does the State have existing batch interfaces between other vendors and the DACS system?

Answer: Yes

Question#17

General Questions

- a. Would the State provide the name of the current supplier of commissary products provided to the inmates at Baylor Women's Correctional Facility?

Answer: Swanson is temporarily operating a limited service.

- b. Would the State consider providing a list of current items including product names and sizes that are available for purchase by the inmates?

Answer: commissary item list not available at this time.

Question#18

Section IV- Professional Services RFP Administrative Information

Letter F- Insurance

Paragraph # 3

Page # 32

"During the term of this contract, the vendor shall, at its own expense, carry insurance minimum limits as follows:"

- Comprehensive General Liability - \$1,000,000
- Professional Liability/Misc. Error & Omissions/Product Liability - \$1,000,000/\$3,000,000

Are you wanting \$1,000,000 total in Professional liability or \$1,000,000 per occurrence with a \$3,000,000 aggregate?

Answer: The above requirements are minimum.

Question#19

Upcoming RFP, is it going to pertain to each facility or only a select few?

Answer: Upcoming RFP pertains to one facility, for the initial term of the contract. The DOC may expand to a Statewide contract which may generate a new RFP process.

ATTACHMENT "A"

THIS AGREEMENT, made and executed in duplicate, shall be effective beginning May 1, 2011.

BY AND BETWEEN:

(hereinafter designated as "Contractor") party of the first part, and the STATE OF DELAWARE, DEPARTMENT OF CORRECTION, created under the laws of the State of Delaware (hereinafter designated as DOC), party of the second part.

WITNESSETH that the "Contractor" in consideration of the covenants and agreements herein contained and made by the DOC, agrees with the DOC as follows:

ARTICLE ONE: The "Contractor" shall provide and furnish all supplies, materiel, machinery, implements, appliances, and tools and perform the work and labor required to complete the contract requirements. The work, as set forth in the proposal, and specifications is identified by the signature of the "Contractor" and the Purchasing Administrator of the said DOC and hereby become a part of this contract.

ARTICLE TWO: It is understood and agreed by and between the parties hereto that all items and/or work included in this contract is to be done under the direction of the said Purchasing Administrator and that the Purchasing Administrator's decision as to the meaning of the said proposal and the specifications shall be final.

It is understood and agreed by and between the parties hereto that such additional specifications as may be necessary to illustrate the items to be furnished or work to be done are to be submitted by said "Contractor" and they agree to conform to and abide by the same so far as it may be consistent with the purpose and intent of the original proposal, and specifications referred to in Article One.

ARTICLE THREE: If the work to be done under this contract shall be abandoned, or if the contract, or any part thereof shall be sublet without the previous written consent of the DOC, or if the contract shall be assigned by the "contractor" otherwise than as herein specified, or if at any time the Purchasing Administrator shall be of the opinion and shall certify in writing to DOC that the work, violated any provision of this contract or that the "Contractor" fails to provide all supplies, materiel, machinery, implements, appliances and tools or fails to perform the work and labor as set forth in the proposal and specifications, in whole or in part, the DOC may notify the "Contractor" to discontinue all work or any part thereof; and thereupon the "Contractor" shall discontinue such work or such part thereof as the DOC may designate and the DOC may thereupon, by a contract or otherwise, as it may determine, complete the work, or such part thereof, and charge the entire expense of so completing the work of part thereof, to the "Contractor".

All costs and charges that may be incurred under this article or any damages that should be borne by the "Contractor" shall be withheld or deducted from any moneys then due, or to become due to the "Contractor" under this contract, or any part thereof, and in such accounting the DOC shall not be held to obtain the lowest cost for the work or completing the contract or any part thereof, but all sums actually paid therefore shall be charged to the "Contractor". In case the costs and charges incurred are less than the sum which would have been payable under the contract if the same had been completed by the "Contractor", the "Contractor" shall be entitled to receive the difference and in case such costs and charges shall exceed the said sum, the "Contractor" shall pay the amount of excess to the DOC for the completion of the work.

ARTICLE FOUR: It is further mutually agreed between the parties hereto that no payment made under this contract shall be conclusive evidence of the performance of this contract either wholly or in part and that no payment shall be construed to be an acceptance of defective work.

ATTACHMENT "B"

POLICY OF	POLICY NUMBER	PAGE NUMBER
STATE OF DELAWARE	3.9	1 OF 1
DEPARTMENT OF CORRECTION	RELATED ACA STANDARDS:	
CHAPTER: 3 Programs and Services	SUBJECT: Commissary	
APPROVED BY THE COMMISSIONER:	<i>[Signature]</i>	
EFFECTIVE DATE:	29 SEP 08	
APPROVED FOR PUBLIC RELEASE		

- I. AUTHORITY:** 11 Del. C. 6517
- II. PURPOSE:** Rules for the establishment and operations of commissaries for the Department of Correction (DOC), and to provide rules for the use of profits generated.
- III. APPLICABILITY:** All DOC Employees and Offenders.
- IV. DEFINITIONS:**
1. Commissary: A system of supplying food, hygiene items, medical items and clothing not otherwise provided to individuals housed in DOC facilities.
 2. Profit: The funds available after all costs of providing commissary, including inmate wages are deducted from total receipts.
- V. POLICY:**
- A. Both the Bureau of Prisons and Bureau of Community Corrections shall determine which facilities shall have commissary items, and implement this policy.
 - B. The Warden of each facility designated to have commissary shall implement a procedure providing which classification of inmates can have access to commissary, the frequency, and determine allowable items.
 - C. Facilities shall not subsidize the price of commissary items, but shall charge a surcharge of up to 20% on all items sold.
 - D. To the extent possible, profits shall be maintained in an interest bearing account. Any interest earned shall be first used to offset the costs of maintaining the account. Any interest remaining shall be treated as profit as provided in IV.2 above.
 - E. The profit from commissary sales shall be used, at the discretion of the applicable Bureau Chief for the health and welfare of the offenders. Appropriate expenses to be charged against the commissary profit shall include, but in no way be limited to, recreational equipment for the offenders, materials for the offender law libraries, legal mail postage and stationery for indigent offenders and items needed to support the inmate population.